

RESOLUTION NO. 07-28

RESOLUTION AMENDING RESOLUTION NO. 06-06  
OF THE CALIFORNIA HOUSING FINANCE AGENCY  
AUTHORIZING THE ISSUANCE OF THE AGENCY'S BONDS, SHORT- AND LONG-  
TERM CREDIT FACILITIES, AND RELATED FINANCIAL AGREEMENTS AND  
CONTRACTS OF SERVICES FOR THE PURPOSE OF FINANCING LOANS IN  
CONNECTION WITH THE BAY AREA HOUSING PLAN

WHEREAS, the Agnews Developmental Center is a residential medical facility in Santa Clara County, California, and houses a large population of severely developmentally disabled persons in need of care ranging from intermediate to skilled to acute care;

WHEREAS, the California Department of Developmental Services ("DDS") has adopted a plan to close the Agnews Developmental Center, pursuant to which plan approximately half of its residents are to be relocated to other existing residential facilities, and the remainder are to be relocated to residential facilities to be acquired, constructed and/or rehabilitated (the "New Facilities");

WHEREAS, under such plan (as more particularly described herein and in the staff reports relating to the Resolution Nos. 05-35, 06-02, 06-18 and 07-14, the "Bay Area Housing Plan"), the New Facilities are to consist of up to approximately 72 homes, including homes that may be hereafter approved for financing;

WHEREAS, under the Bay Area Housing Plan, each New Facility is to be permanently financed by a loan (each, a "Loan") made or purchased by the California Housing Finance Agency (the "Agency");

WHEREAS, on January 12, 2006, this Board of Directors (the "Board") of the Agency adopted Resolution No. 06-06 (the "BAHP Bond Resolution"), authorizing, among other things, the issuance of bonds (the "Bonds") and the execution and delivery of related financial agreements (including certain forms of the indentures to provide for the issuance of and securing the Bonds) for the purpose of financing Loans in connection with the Bay Area Housing Plan;

WHEREAS, the Agency has determined to amend Resolution No. 06-06 to authorize the execution and delivery of an alternative form of indenture that would provide for limited obligation Bonds, if appropriate, to finance the Loans to be made or purchased to provide permanent financing for the costs incurred to develop the New Facilities;

WHEREAS, the Agency has also determined to extend the period during which the Bonds are authorized to be issued;

NOW, THEREFORE, BE IT RESOLVED, by the California Housing Finance Agency as follows:

**Section 1. Extension of the Period for the Issuance of the Bonds.** Section 2 of the BAHF Bond Resolution is hereby amended and restated to read in its entirety as follows:

**“Section 2. Authorization and Timing.** The Bonds are hereby authorized to be issued at such time or times on or before the day 30 days after the date on which is held the first meeting in the year 2009 of the Board of Directors of the Agency at which a quorum is present, as the Executive Director deems appropriate, upon consultation with the Treasurer of the State of California (the “Treasurer”) as to the timing of each such issuance; provided, however, that if the Bonds are sold at a time on or before the day 30 days after the date on which is held such meeting, pursuant to a forward purchase or drawdown agreement providing for the issuance of such Bonds on a later date on or before August 1, 2010, upon specified terms and conditions, such Bonds may be issued on such later date.”

**Section 2. Addition of Alternative Form of Indenture.** Section 3 of the BAHF Bond Resolution is hereby amended and restated to read in its entirety as follows:

**“Section 3. Approval of Indentures, Supplemental Indentures and Certain Other Financing Documents.** (a) The Executive Director and the Secretary of the Board of Directors of the Agency (the “Secretary”) are hereby authorized and directed, for and on behalf and in the name of the Agency in connection with the issuance of Bonds, to execute and acknowledge and to deliver to a duly qualified bank or trust company selected by the Executive Director to act, with the approval of the Treasurer, as trustee (the “Trustee”), one or more new indentures (the “New Indentures”), in one or more forms similar to one or more of the following (collectively, the “Prior Indentures”):

- (1) the Multifamily Housing Revenue Bond III Indenture, dated as of March 1, 1997;
- (2) the form of commercial paper note indenture presented to the May 11, 2000 meeting of the Agency;
- (3) the Housing Program Bond Indenture, dated November 1, 2004; or
- (4) the Bay Area Housing Program Bond Indenture presented to this meeting.

Each such New Indenture may be executed, acknowledged and delivered with such changes therein as the officers executing the same approve upon consultation with the Agency’s legal counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

(b) For each series of Bonds, the Executive Director and the Secretary are hereby authorized and directed, for and on behalf and in the name of the Agency, if appropriate, to execute and acknowledge and to deliver with respect to each series of Bonds, a supplemental indenture (a "Supplemental Indenture") under either one of the Prior Indentures or a New Indenture and in substantially the form of any supplemental indenture or series indenture executed or approved in connection with any of the Prior Indentures, in each case, with such changes therein as the officers executing the same approve upon consultation with the Agency's legal counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

The Executive Director is hereby expressly authorized and directed, for and on behalf and in the name of the Agency, to determine in furtherance of the objectives of the Program those matters required to be determined under the applicable Prior Indenture or the New Indenture, as appropriate, in connection with the issuance of each such series.

(c) For each series of Bonds, the Executive Director is hereby authorized and directed to execute, and the Secretary is hereby authorized to attest, for and in the name and on behalf of the Agency and under its seal, if and to the extent appropriate, a reimbursement agreement, a letter of credit agreement or any other arrangement with respect to credit or liquidity support in substantially the forms of the reimbursement agreements, letter of credit agreements or other such arrangements contemplated under the Prior Indentures or New Indentures or used in connection with the bonds issued under one or more of the Prior Indentures.

(d) Any New Indenture, Supplemental Indenture, reimbursement agreement, letter of credit agreement or other such arrangement as finally executed may include such modifications as the Executive Director may deem necessary or desirable in furtherance of the objectives of the Program, including, but not limited to, one or more of the following provisions:

- (1) for the Agency's insured or uninsured, limited or general, obligation to pay any debt secured thereby,
- (2) for a pledge of an amount of the Supplementary Bond Security Account to the extent necessary to obtain an appropriate credit rating or appropriate credit enhancement,
- (3) for a pledge of additional revenues which may be released periodically to the Agency from the lien of one or more indentures heretofore entered into by the Agency, including but not limited to one or more of the following:

(A) the Prior Indentures,

(B) the Home Mortgage Revenue Bond Indenture, dated as of September 1, 1982, as amended, and

(C) the indentures under which are issued the Single Family Mortgage Bonds,

- (4) for a deposit of such other available assets of the Agency in an appropriate amount in furtherance of the Program,
- (5) for a liquidity facility,
- (6) for contingent or deferred interest, or
- (7) for the use or application of payments or receipts under any arrangement entered into under Section 9 of this resolution.”

**Section 3. Ratification of BAHP Bond Resolution.** As amended hereby, the BAHP Bond Resolution is in all respects confirmed, and Resolution No. 06-06 and this resolution shall be read, taken and considered as one instrument.

**Section 4. Resolution to Constitute Authorization For Purposes of Validation Statutes.** This resolution shall constitute the authorization of Bonds for purposes of California Government Code Section 17700 and California Code of Civil Procedure Title 10, Chapter 9 (Section 860 et seq.) with respect to any Bonds issued under any indenture described in Section 3(a)(4) of the BAHP Bond Resolution, as amended hereby. As a result, under California Code of Civil Procedure Section 863, any action by any interested person to challenge the validity of any such Bonds must be brought within 60 days of the adoption hereof.

## SECRETARY'S CERTIFICATE

I, Thomas C. Hughes, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 07-28 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 12th day of September, 2007, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

ABSENT: CAREY, MANDELL (for Jacobs), JAVITS, PAVAO (for Lockyer), SHINE, COURSON

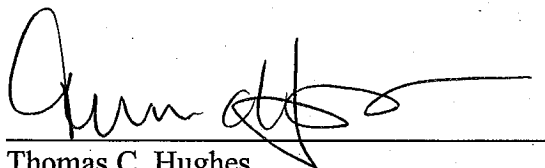
NOES: NONE

ABSTENTIONS: NONE

ABSENT: DAVI, CZUKER

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this 12th day of September, 2007.

[SEAL]



Thomas C. Hughes  
Secretary of the Board of Directors of the  
California Housing Finance Agency